#### DOCUMENT RESUME

ED 056 411 EA 003 894

AUTHOR Campbell, Alan K.

TITLE The Governmental Structure of Education: What

Difference Does It Make?

PUB DATE 10 Aug 71

NOTE 35p.; Paper presented at Education Commission of the States Conference on Intergovernmental Relations and

the Governance of Education. (Jackson Lake, Wyoming,

August 10, 1971)

EDRS PRICE MF-\$0.65 HC-\$3.29

DESCRIPTORS \*Administrative Organization; Centralization;

Decentralization; \*Decision Making; \*Education;

Educational Finance; Educational Research;

Governance: \*Governmental Structure: \*Politics: State

Federal Aid

#### ABSTRACT

This report discusses various differences of opinion about the interrelationship that exists between governmental structure and the substantive policy outcomes of governmental decisionmaking. The views of political scientists and educators regarding the ideal structural relationship between education and government are presented. Some aspects of structural issues to which current educational research addresses itself are discussed, such as (1) the significance of the degree of local school district autonomy; (2) the impact of noneducation expenditures on education expenditures; (3) the roles of State and Federal aid; and (4) the relevance of research findings to some of the current issues in the education field, with particular emphasis on the issues embodied in the relationship between education's governing structure and its financing. (Author/JF)



U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
OFFICE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM
THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED JO NOT NECESSARILY
REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

# THE GOVERNMENTAL STRUCTURE OF EDUCATION: WHAT DIFFERENCE DOES IT MAKE?

by

Alan K. Campbell, Dean Maxwell Graduate School Syracuse University

Presented to

Conference on

INTERGOVERNMENTAL RELATIONS AND THE GOVERNANCE OF EDUCATION

A Project of

The Education Commission of the States

Jackson Lake Lodge, Wyoming

August 10, 1971

1



#### Governmental Reorganization

American political scientists and civic historians have produced a vast and rich literature on the question of the proper organization of government. (1) They have focused their concern on the appropriate organization of local government emphasizing issues like the elected chief executive versus the appointed city manager; whether representatives within cities should be elected at large or by wards; and, the recorganization of government at the state and federal levels.

More generally, the reforms include both institutional and governmental process recommendations: the council manager plan, legislative proportional representation, the small
council, non-partisan and at-large elections, professionalism,
the separation of policy determination from its administration,
and centralized executive responsibility. Indeed, these reform
proposals have been described as the only original contribution
of American scholars and civic reformers to the art and science
of government.

Reform remains a live issue in American politics whether the emphasis is on local governments with reformers attempting to respond to current demands for both neighborhood governments and regional units, and at the state level with



continuing emphasis on increasing the executive control of the governor, and the very recently announced Presidential proposals for reorganization of the executive departments of the national government. This penchant and enthusiasm for reform and reorganization is sometimes interpreted as a technique used by politicians to avoid significant substantive issues, or that hidden within the reform and reorganization recommendations are substantive implications politically unwise to discuss openly.

There is, in fact, a substantial difference of opinion as to the inter-relationship between government structure and the substantive policy outcomes of governmental decision-making. There is a body of thought which suggests that structure is irrelevant, that the substance of government policy is a product of basic socio-economic factors which are uninfluenced by the structural system through which decisions are made. In fact, in recent years, political scientists have been somewhat concerned about the significance, if any, of what goes on in the "little black box"--i.e. the political process. (2) The overpowering significance of socio-economic variables has tended to hide whatever significance the internal political process may possess.



A variant of this argument is the suggestion that structure itself is a product of the distribution of political power, and therefore simply serves the interest of those politically powerful. In this version, structure is important but responds to the same kinds of socio-economic forces as do the substantive policy decisions of government. Changing structure will according to this argument have an impact on policy, but only because the socio-economic factors which influence policy are simultaneously affecting structural arrangements.

Finally, there are those who claim that structure has independent importance. Structure, it is claimed, determines, at least, the extent of accountability which governmental leaders have, the degree of visibility which government possesses, and finally the extent to which it can be democratically controlled. It is against these kinds of criteria that most structural reforms are judged.

The most obvious and important criticism to be directed against the argument that structure is unimportant, is that structure tends to lag behind the need for changes in social policy. Because of this lag characteristic, structure acts as an obstacle to the responsiveness of government.



4

## Political Scientists, Educators and Government Structure

Although political scientists and students of education, with notable exceptions in both camps, have tended to agree that structure is important, they have disagreed as to what the structural relationship between education and the rest of government ought to be. Political scientists have argued for a clearcut hierarchical organizational system for government, with education as a part of that total structure. justification is based on a belief that this kind of system provides visibility and accountability, encourages the rational allocation of resources among functions of government, and brings to all activities of government the advantages of the partisan political process through which the citizenry divides resources among functions of government. This belief has caused most political scientists to argue against special status for any single activity of government and, therefore, separate and autonomous units for education are strongly opposed. contrast, the education community generally supports such autonomy. Arguments in support of this position include: a claimed uniqueness for education, unique because it deals with children, and the often special constitutional status of education making it a state function. As a state function it should have, it is



claimed, its own governmental system rather than being mixed with other local functions.

Because of these characteristics, education should not be contaminated, it is argued, with partisan politics which are pictured as being corrupt, based on patronage and inconsistent with the necessary professionalism of the educator. (3)

It can, of course, be argued and sometimes is, that this emphasis by the educational community on the uniqueness, and therefore the need for autonomy of education, is a useful political argument which often produces an increase in the resources allocated to their function. This argument recognizes that education and politics are inevitably intermixed but that perpetuating the myth of the nonpolitical character of education is simply a tried and true technique to improve education's position in the political process. As one scholar suggests, "A political myth which is contrary to fact may serve a group best in a political struggle when: (1) the group which created it uses it, (2) others have come to believe it, and (3) the group does not itself believe in it as a description of reality."(4) When these conditions change, then it is quite possible that maintaining the myth will no longer



serve the function--i.e. produce desired policy or, better said, revenue advantages.

#### What difference does it make?

Although the argument between political scientists and educators about the wisdom of special status for education has been around for a long time, it has not really been a meaningful empirical discussion. Rather, most of the debate has focused on arguments drawn from general principles rather than from measurements of what difference the separation of the government of education from general government makes. Fortunately, in recent years, a number of research studies about the performance of the education function are beginning to ask and tentatively answer the question, "What difference does it make?"

There are a number of dimensions of the "What difference does it make?" question which must be answered before
it is possible to make definitive decisions on which to base
policy.

Such research should explore more throughly than it has to date:

The relationship of the structural organization of education at all levels of government to the quality of educational services provided to the clients of the system.



The impact of these structural arrangements on the role of the community, particularly the community which comprises the immediate clients of the system. Of particular importance is the relationship between the role of the so-called educational professionals to the non-professionals, whether they be students or parents.

The importance of the division of education decision-making among the levels of government with emphasis on the impact of the higher levels, i.e., federal and state government, on the local school district.

The inter-relationship between structure and the amount of resources allocated to education as compared to other functions of government, and its impact on the allocation to different kinds of school districts, particularly city, suburban and rural.

The impact of intergovernmental flows of funds on the resources allocated to education. Do such state and federal funds increase the total resources applied to education, or are they simply replacive of what otherwise would be provided locally? What role does intergovernmental aid play in equalizing educational opportunity?

While current research findings do not provide answers to all of these questions, there are a number of aspects of the structural situation in education to which current research does address itself. It is these aspects of the structural issues on which I will now report. The issues to be covered are: (1) the significance of independence-dependence character of the local school district; (2) the impact of



non-education expenditures on education expenditures; (3) the role of state aid and the role of federal aid; and finally a discussion of the relevance of the findings to some of the current issues in the education field, with particular emphasis on the issues embodied in the relationship of the governing structure of education to its financing.

## Independence: Asset or Liability

Perhaps the issue about which there has been the greatest debate is the relative autonomous status of school districts in the total state-local governmental system. Atthough the degree of autonomy varies substantially from one district to another, the myth of keeping education out of politics provides a kind of autonomy whatever the formal system. Even in the case of a dependent school district, co-terminous with another unit of local government, and which has a school board appointed by the chief executive of that local unit, the claim for special status is often respected.

Efforts have been made to measure the actual significance of independence by trying to determine if this
characteristic results in education receiving more resources
than would otherwise be the case. A number of careful



analytical studies have been made of this factor and their general conclusion is that it probably does not make any difference. The researchers placed school districts on a continuum from complete independence to complete dependence and then measured the districts' position on that continuum against the amount of resources received. (5) The findings agreed that the quantity of resources devoted to education are more determined by other factors -- the nature of the community, the amount of intergovernmental received, etc. than by the independencedependence variable. In fact, it appears that the degree of independence does not have any significant impact on any educational fiscal output. Neither per student expenditures, or per capita expenditures, or per capita locally-raised taxes for education shows any significant relationship to the degree of independence.

There are other aspects of the independence characteristic which may indeed have significance for the way the education function is performed. Directly related to independence is the so-called "no politics" characteristic of this function. Although it is clear that the claim of "no politics" is incorrect, because education as a public function is a part of the political process, the claim itself can still



influence the nature of the political environment which surrounds the function.

One scholar who has devoted attention to this issue argues that the "no politics" characteristic means:

. . . conflict over public school question lacks a sustaining structure. This means that instead of there being opposition to the established order at all times, just because that is how the system works, there is opposition only when there is something to oppose. Again specific issues, sometimes ideological, tend to be the motivating force. consequence of this situation is not only that demands are focused on specifics. . . but also that the authority system is not usually accustomed to being opposed, and therefore it lacks resilience. Conflict is likely to come to it as a disorganizing shock; whereas, in most democratic government, structured conflict is recognized as the way the game is played. government, it often seems to be regarded as a rude and foreign intrusion. (6)

The periodic "crisis character" of the governance of education results in changes coming to this function only after heated community controversy. The controversy is then usually settled by the school board replacing the superintendent, normally hiring one from outside the system who responds to the issue which created the crisis in the first instance. (7)

Another characteristic of the independence of school governance is the separation of resource raising for education from that done for more general government. Very often the



raising of resources for education is done by public referendum, or separate votes on the school budget. In almost all instances, the raising of capital is done through a referendum process. Many educators have argued that this technique of raising funds for education has given it a favored position in the competition for resources. It is quite possible that historically this has been true, but currently taxpayers are becoming increasingly concerned about their tax burden, particularly their state-local burden, and it may well be that education is more vulnerable to taxpayers' revolts than those functions which draw their funds from the general revenues of the system.

It is not surprising that taxpayers are revolting, in view of the rapidly rising costs of general state and local government and particularly education which has averaged a 9.7 annual growth in expenditures during the past decade, while the gross national product has increased only 6.8 percent, and per capita personal income less than that. There is persuasive evidence that education is feeling the impact of resulting tax revolts. In California, 60 percent of proposed increases in school taxes for new bond issues were turned down by the voters, while in Michigan 20 of 25



requests for higher property tax rate were rejected, and even 31 out of 69 requests to continue current rates found the tax-payer saying no. It is not known whether a system in which support for education was drawn from a general local budget would have suffered these kinds of setbacks, but it is clear that the separate status of education makes it easier for the voters to work out their frustrations on those public expenditures separately raised than those which are drawn from a general budget.

## Impact of Non-education Expendit res

Although not strictly a structural issue, the impact of non-education expenditures on educational ones is a useful way of examining the interaction among functions of government. These relationships are of considerable significance when suburban and central city expenditure are compared. Generally, central cities spend much more heavily for non-education purposes than do suburbs. Per capita non-education expenditures in central cities, according to the most recent data available, constitutes 166.7 percent of such expenditures made in the areas outside the central cities (i.e., in the suburbs), and non-educational taxes in the central-city areas were 190.9 percent of those in the suburbs. (8)



careful analysis of this characteristic does not substantiate the common-sense hypothesis that higher non-education expenditures cause lower education ones. In fact, it appears that the two, education and non-education expenditures, move together. If this finding is confirmed by further analysis, it follows that the implication for central cities is a much heavier tax burden than that of their suburbs since the cities must raise considerably more funds to meet their non-educational needs while simultaneously attempting to maintain competitive educational expenditures.

This "Reeping up" problem raises the issue of the maintenance of competitive positions by school districts within the same region. The high-income suburbs are able to devote substantial resources to the support of education while the rest of the jurisdictions in their metropolitan areas (poorer suburbs and central cities), in order to compete for educational resources, must scramble to keep pace. The result of this corpetition, at least until the recent taxpayers revolt, is for these lower-income jurisdictions to struggle to maintain educational quality against very unfavorable odds.



## The Role of State Aid

These disparities in local ability to support education could be overcome, of course, by an intergovernmental aid pattern designed to put larger amounts of resources in jurisdictions with less fiscal ability. Only in this way would genuine fiscal equalization result.

As is now known, state education aid does not work that way. The reason is that in the majority of states the amount of aid received is inversely related to local property value per student. Since the formulae do not usually take into account either the special education needs of students concentrated in some school districts, nor the variations in the non-education fiscal burden on the local property base, the result is a larger flow of aid to those school districts which already are relatively well off.

The jurisdictions which have both disadvantages—
i.e., students with special education needs, and a heavy noneducation burden—are, of course, the largest central cities.
These cities are in a more difficult position additionally
because of the cost differentials for land acquisitions, insurance payments, maintenance costs, and other higher costs
which generally exist within large urban places. Since the



aid formula does not take into account any of these differentials, the result in most states is greater aid going to suburban school jurisdictions than to central city districts.

For example, in California state aid per pupil in the central cities is \$234.29, while for the suburban areas it is \$275.78.

For New York, the similar figures are \$372.51 for central cities, and \$474.06 for their suburbs. Similar data could be provided for other states. (See Appendix - Table I)

port can only be determined by examining whether aid is additive or replacive of local tax effort. Does aid, for example, tend to act as a depressant of local tax effort, or is it simply additive to that effort with local tax effort determined independently by the socio-economic characteristics of the community and the need for revenues for other governmental functions?

In general, aid is, at least in part, additive.

Beyond that generalization, it is more difficult to make a

definitive statement. But it does appear that aid tends to

be more additive in suburbs than in large central cities.

A study based on 1957 data found that for every dollar of



aid given to suburbs there was a dollar of increased expenditures for education; that is there was no replacive effect. While for central cities, the similar figure was a 70-cent increase in expenditures for every additional dollar of aid, thereby indicating that to some degree aid was replacive of locally raised funds for education, with those funds in all probability being siphoned off to be used for other functions of government. (9)

A more recent study confirms the same kind of suburban-central city disparity but at lower figures. For suburbs, it is suggested that aid is additive by about 60 cents per dollar of aid, while in central cities the addition is about 22 cents. (10)

These findings demonstrate the disadvantaged position in which the present state aid system places cities. Not only do they receive less aid than their suburbs, but their aid does not increase educational expenditures as much as suburban aid does.

This aid behavior added to the non-education fiscal responsibilities of cities helps to explain why total local tax burdens in cities tend to be considerably higher than those of most suburbs. (11)



17

## The Role of Federal Aid

Since state aid does not offset the disparities in the local revenue base among school districts, does federal aid? A partial answer to that question is that federal aid does not because it is not sufficient. In 1970-71 such aid constitutes only 6.9 percent of total revenue devoted to public elementary and secondary schools. This figure is less than the 7.9 percent figure for 1965-66, but even this small amount of support which makes practically no contribution because of how it is distributed to correcting the imbalances created by variations in local fiscal bases and the behavior of state aid. Although there is considerable variation from state to state, the largest gainers from federal aid are neither central city nor suburban districts, but rather rural areas, those parts of states outside the metropolitan area. In California, for example, the central cities received on the average, in 1967, \$39.00 per student from federal aid; while the suburban jurisdictions surrounding these central cities the amount was \$40.00; the comparable figure for nonmetropolitan parts of the state was \$54.00. In contrast, in New York the central cities received \$68.00, while the suburbs and the non-metropolitan parts of that state received only \$31.00. (See Appendix - Table II)



The one part of the federal aid package which does contribute to offseting the imbalance among school districts within states is Title I of the Elementary and Secondary Education Act. Although this program has not been as carefully focused on disadvantaged pupils within school districts as was intended by its authors, (12) the aid has flowed to those districts which possess the greatest need. For example, in California the central city received \$19.64 per pupil, in contrast to its suburbs which received \$11.09. In New York the comparable figures were \$53.90 for the central city, and \$12.35 for outside central city areas. (13) (See Appendix - Table I)

In summary, the intergovernmental flow of funds within the educational governance system does not offset the disparities in local revenue bases among school districts. State aid runs counter to any such correctional impact, while federal aid in total is newly neutral and only Title I of the Elementary and Secondary Education Act provides any corrective flow. From these findings, it appears that the intergovernmental aid system, probably results in overall greater resources being allocated to education, but does not offset the disparities in local tax bases among school districts.



These characteristics of the intergovernmental flows of funds raises questions about how such flows might be altered and whether there are possibilities of changing the structural system to accomplish that.

## State Distribution of Federal Aid

Another important aspect of educational governance is the process at the state level used to divide federal funds. A current study of this process concentrates on how states determine the distribution of those federal funds which pass through the states on their way to local school districts. (14)

In the five states studied (New York, California, Massachusetts, Texas and Virginia), it was found that the decisions about the distribution of federal aid were made almost exclusively by state education departments. The state's political process, either legislative or executive, does not appear to influence or even become involved in the distribution, among school districts within the state, of federal funds which pass through state education departments. In the cases where the departments had considerable freedom in the distribution of the funds, the distribution pattern closely followed that of state aid. For those programs characterized by fairly



20

strict federal guidelines, these guidelines determined the distribution of the funds.

## Education Decision-making at the State Level

Since the role of both federal and state aid is heavily dependent upon the decision-making process at the state level, as are most other educational issues, it is important to try to understand that process. Sufficient studies of this process have not been made to offer any conclusive generalizations about its nature. However, in recent years enough have been done to suggest some hypotheses.

The basic constituency of state education departments, and the appropriate committees within state legislatures, include organizations of school board members, school administrators, teachers and educationally interested lay groups. To the extent that these groups present a common front, they are normally able to have an enormous influence on educational policy-making. In fact, their ability to agree usually results in their recommendations being accepted by state legislatures, except for some reduction in their financial demands.



21

For many years, these groups were rurally oriented, and it was to this orientation that state departments of education responded. Further, state legislatures normally possessed the same rural orientation. A relatively harmonious set of relationships emerged, therefore, at the state level, resulting in a variety of significant educational innovations, including, of course, the consolidated school district.

appears to be disintegrating. In some states, top officials in education departments are beginning to concern themselves with urban rather than rural education. Teachers groups are finding it increasingly difficult to make common cause with organizations of school administrators and school board members. Teachers groups themselves are in conflict, particularly branches of the NEA and teachers' unions, while within both organizations there are growing differences between teachers from different type school districts.

On the basis of a variety of studies of state educational politics, one scholar believes he has found four stages in the relationship of education to state government. The first stage is characterized by a strong local erientation, with the legislature being influenced primarily by



local educational notables with state legislatures working out compromises when there are differences of view among local leaders.

The second stage, which today characterizes a good number of states finds the educational interest groups combined in some kind of common body and present a consensus of views on educational matters to both the state education department and to the appropriate legislative committees.

The third stage, toward which a number of states are now moving, finds these various groups divided over significant issues and as a result present conflicting recommendations to their legislatures. The fourth stage, at which perhaps only one state, Illinois, has arrived, finds the creation of a formal governmental institution designed to bring together the contending parties. The unit in Illinois is called the School Problems Commission and included not only professional education leaders but legislators, as well as representatives from more general citizens' groups such as the Chamber of Commerce. This group's consensus is then presented to the appropriate legislative bodies. (15)

The relationship between a state's stage of development and its educational outputs is not clear, but the movement



is in the direction of education issues becoming more a part of the political process than they have been in the past. It is quite possible that this change will cause some of the issues raised here about how state and federal aid will become more active political issues.

## Changing the Structure

There have been a variety of suggestions for altering the structural system which governs education. Perhaps the most hotly debated of these proposals is the wisdom of full state assumption of education financing. (16) What is known about the fiscal aspects of education provides some clues about the significance of this kind of change.

A shift to state financing would eliminate the current system of state aid to local districts. Since it has been found that aid to some extent, is additive to local effort, it is quite possible that the movement to full state financing would reduce the total resources allocated to education. In fact, other findings concerning the significance of the assignment of fiscal responsibility within governmental system confirms this conclusion. In general, highest state-local expenditures are found in state-local governmental systems which assign high expenditure responsibilities



to their local governments while maintaining a large flow of aid funds from the state level to local governments. (17) These findings clearly suggest that state assumption might reduce overall resources allocated to education.

On the other hand, it is not at all certain how full state financing would affect the quality of educational services. As teachers make more and more demands and use the union device for increasing the amount of resources allocated to teacher salaries, it may be that extra funds which increased aid would provide for education would lead only to higher personnel costs rather than improved educational quality. It is simply not known whether unions would be as effective in bargaining in a statewide system as they are when being able to play one school district off against another as is now the case. Nevertheless, the potential for pinpointing and focusing educational resources would probably be greater in a state finance system than in one characterized by competing local school districts.

Perhaps this ability to focus educational resources would be the greatest advantage of state assumption. Current disparities in support of educational services among school districts could be overcome, but whether a state would take



such action depends upon how the political process would allocate resources completely state controlled. One thing is certain, legislatures would give it more attention than they now do. Whether such legislative attention would result in more equity in the distribution of resources is not known, but the visibility of what was happening would be much greater in this kind of system than that of the current, complex set of intergovernmental arrangements.

Important to the issue of full state financing is whether a local supplement would be permitted. On the one hand, it is often argued that those communities which would like to improve the quality of education provided in their schools should be allowed to do so, but if local supplementation is permitted, there would be a repetition of the current disparities between rich and poor areas within a state. An often suggested compromise is to allow a local supplement of no more than ten percent at least the disparities would not be as great as they now are. (18)

It may also be argued that full state assumption of responsibility for education runs directly counter to current demands, heard particularly in large cities, for school decentralization and community control. Actually



it would probably be as easy, if not easier, to decentralize within a state system as within the present local district system. More importantly it might be possible within a state system to provide the necessary additional resources to those decentralized areas possessing large numbers of disadvantaged pupils. One of the primary difficulties with present large central city decentralization schemes is that they do not provide the additional resources required to make education effective in disadvantaged areas. (19)

Those who fear that full state assumption will mean the end of a long history of local control of schools should look again at the reality of the system of educational government. Financed and to one degree or another influenced by at least three levels of government—local, state and federal—there is no longer cause to argue that there are any genuinely autonomous units left in the system. Indeed, the whole governmental system—education and non-education—is characterized by interdependency.

In addition, recent studies have concluded that centralization and decentralization are not inconsistent concepts, rather they have suggested that it is quite possible

to have financing at one level and policy-making and other kinds of control at another. (20) State financing, therefore, is not inconsistant with small, local units, and, more importantly, it could equalize present tax-base disparities among school districts, as could, of course, a more equitable state aid system.

## Character of Federal Aid

Most students of educational affairs agree that federal aid for education is a permanent function of educational finance and that its amount should be substantially increased. The agreement rapidly disappears when the discussion turns to what form such aid should take? Present revenue-sharing and block grant proposals of the national administration have moved this issue to the center of the political stage.

Although current knowledge about how aid performs does not provide a conclusive answer to the wisdom of these proposals, it does tell us something about how such new aid systems are likely to perform.

General revenue sharing, if allowed to be applied to education, would serve the interests of suburban schools



better than those in central cities. To the extent such aid was distributed to local school districts by the state, there is no reason to assume its distribution would be any different than that of state-raised revenues. For those revenues automatically passed through the state to local governments it is likely that larger portions would be used for non-education functions than for education ones in cities, while the opposite ould occur in the suburbs.

Much the same generalization could be made about federal block grants for education. Except for Title I of ESEA current federal aid is not distributed very differently than state aid. The Title I experience seems to suggest that stronger rather than weaker guidelines are needed if federal aid is to be used to offset the discriminatory character of present state-local financial systems. (21)

### A New Structure for Education?

If the purpose of examining the current structural characteristics of providing educational services is to design a new structure, that structure must maximize resources flowing to education while simultaneously distributing those funds on the basis of educational need rather than political



influence. It must additionally optimize the quality of education services while guaranteeing a substantial client contribution to educational decision-making. Such a system would have the following characteristics.

- State assumption of full financial responsibility for education;
- A large increase in federal aid with strong guidelines for focusing the aid on educational need;
- 3. A decentralized system of local districts below the state level (with perhaps a regional level between the state and these decentralized districts);
- 4. Only if a regional system is used would a local financial supplement be permitted;
- 5. At the state level education should become an executive department like any other, with its head appointed by the Governor.

I think the reasons for most of these recommendations are self-evident, but perhaps two need further comment.

The regional suggestion is made primarily for the larger states and is also offered as a means of permitting a local financial supplement. On a regional basis such a supplement makes the most sense because it could be drawn from a much larger and more varied tax base. Such local resources could then be distributed within the region on the



30

basis of educational need. Further a regional level would provide a basis for providing specialized educational opportunities which would not be possible because of small size by decentralized districts.

The final suggestion of a state education department directly responsible to the governor is based on the very large role which the state would play in this new system, and the increasingly dysfunctional role of the "independence" and "no-politics" characteristics of education. Current public attitudes about state-local taxes suggest that education could do as well fiscally, if not better, if it were part of the general budget of the state, rather than isolated from the regular budgetary process by arrangements which attempt to perpetuate the "no-politics" myth.

Finally, but importantly, the evidence now available is by no means conclusive. This proposed system is drawn from my reading of "the hints and hunches" suggested by the research available. Another student of these matters might draw quite different conclusions.



31

#### Appendix

#### Table I

Comparison of ESEA Title I with State Aid For School Districts in Metropolitan Areas 1967

All Areas with Larger Than 500,000 Population	ESEA I (per pupil)	State Aid (per pupil)
California CC**(N=7) OCC (N=119)	\$ 19.64 11.09	\$ 234.29 275.78
New York CC (N=5) OCC (N=73)	53.90 12.35	372.51 494.06
Toxas CC (N=4) OCC (N=33)	19.67 12.25	174.26 209.35
Michigan CC (N=1) OCC (N=31)	37.15 7.86	238.13 271.26
Massachusetts CC (N=1) OCC (N=26)	32.33 7.95	236.00 110.26

\*\*CC = Central City
OCC = Outside central city portion of metropolitan areas
(suburban ring)

Source: Federal Aid to Education study, Syracuse University Policy Institute and Maxwell Graduate School.



#### Appendix

#### Table II

Federal Aid and Total Revenue
By Central City, Outside Central City, and Non-Metropolitan Areas,
1967

State	Fed. Aid	Total Rovenue	% Fed. Aid	
California Central City Outside Central City Non-Metro	\$39 40 54	\$684 817 647	5.8% 4.8 8.4	
New York Central Ci Outside Central City Mon-Metro	68 <b>3</b> 1 31	876 1037 923	7.7 3.0 3.4	
Texas Central City Outside Central City Non-Metro	38 36 63	479 485 535	7.9 7.4 11.3	
Michigan Central City Outside Central City Non-Metro	29 17 30	68 <b>3</b> 666 629	4.2 2.5 4.8	
Massachusetts Central City Outside Central City Non-Metro	69 38 n.a.	675 779 n.a.	10.2 4.8 n.a.	

Joel S. Berke, Stephen K. Bailey, Alan K. Campbell and Seymour Sacks Federal Aid to Education: Who Benefits? A Committee print of the U.S. Senate Select Committee on Equal Educational Opportunity 92nd Congress, 1st Session, April 1971.



#### FOOTNOTES

- 1. For a good summary of many reform efforts see Childs, Richard S., Civic Victories. New York: Harper & Brothers. 1952.
- Dawson, Richard and James Robinson, "Intra-Party Competition: Economic Variables and Welfare Policies in the American States," Journal of Politics, Vol. 25, May 1963, pp. 265-289; Thomas Dye, Politics, Economies and the Public: Policy Outcomes in the American States, Chicago: Rand McNally 1966; and Ira Sharkansky, Spending in the American States, Chicago: Rand McNally 1968.
- 3. For a summary of these views see Meranto, Philip, School Politics in the Metropolis, Columbus, Chio: Charles E. Merrill, 1969; and Roscoe Martin, Government and the Suburban School, Syracuse: Syracuse University Press 1962.
- 4. Iannaccone, Laurence, Politics in Education, New York: The Center for Applied Research, Inc., 1967, p. 8.
- 5. See Ranney, David, School Government and the Determinants of Fiscal Support for Large City Education Systems (unpublished doctoral dissertation Syracuse University 1966); and H. Thomas James, J. Alan Thomas and Harold J. Dyck, Wealth, Expenditure and Decision-Making for Education, Stanford: Stanford University Press, 1963.
- Minar, David W., "Community Politics and School Board," <u>The American School Board Journal</u>, Vol. 154, No. 3, March 1967, p. 37.
- 7. Iannaccone, op. cit., pp. 82-100.
- 8. Sacks, Seymour, "Metropolitan Fiscal Disparities," Journal of Finance, May 1968, p. 236.
- 9. Campbell, Alan K. and Seymour Sacks, Metropolitan America: Fiscal Patterns and Governmental Systems, New York: The Free Press 1967, pp. 137-154.
- 10. Sacks, Seymour, <u>Large City School Finances</u> (to be published by Syracuse University Press in the spring of 1972).



Footnotes (continued)

11. Advisory Commission on Intergovernmental Relations, Fiscal Balance in the American Federal System, Volume 2, Metropolitan Fiscal Disparities. Washington, D.C.: Government Printing Office, October 1967.

- 12. Washington Research Project of the Southern Center for Studies in Policy and the NAACP Legal Defense and Educational Fund, Inc., Title I of ESEA: Is It Helping Poor Children? Washington, D.C., December 1969.
- 13. For a general analysis of how federal aid behaves see Berke, Joel S., Stephen K. Bailey, Alan K. Campbell and Seymour Sacks, Federal Aid to Education: Who Benefits? A Committee print of the U.S. Senate Select Committee on Equal Educational Opportunity, 92nd Congress, 1st Session, April 1971.
- 14. The five-state studies, as yet unpublished, are part of a Ford Foundation sponsored research project on the patterns of allocation of federal aid to education currently being conducted by the Policy Institute of the Syracuse University Research Corporation and the Maxwell Graduate School, Syracuse University.
- 15. Iannaccone, op. cit., p. 49.
- 16. See "Allen Urges Study of Proposal to Let States Finance Schools," The New York Times, July 12, 1968.
- 17. Campbell and Sacks, op. cit., pp. 127-162.
- 18. Advisory Commission on Intergovernmental Relations, State-Local Finances and Suggested Legislation, Washington, D.C.: Government Printing Office, December 1970, pp. 318-320.
- 19. Callahan, John and Donna E. Shalala, "Some Fiscal Dimensions of Three Hypothetical Decentralization Plans," Education and Urban Society, November 1969.
- 20. Committee for Economic Development, Reshaping Government in Metropolitan Areas, New York, February 1970.
- 21. Levin, Henry M., "Financing Education for the Urban Disadvantaged," in Sterling M. McMurrin (ed.) Resources for Urban Schools: Better Use and Balance, New York: Committee for Economic Development, 1971.

